

CONFIDENTIAL BUSINESS INFORMATION

## Resolute Management Inc.

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**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

January 25, 2011

Steven F. Hill  
Miller Nash, LLP  
500 East Broadway  
Suite 400  
Vancouver, Washington 98660

Re: Insured: Kaiser Cement Corp. and/or Kaiser Gypsum Company, Inc.  
Site: Lower Duwamish Waterway in Seattle, Washington  
Policies: RDX 3652645 (10/13/1977-10/1/1978) Columbia Casualty Co.  
RDX 4169393 (10/1/1978-4/1/1979) Columbia Casualty Co.  
RDX 4169612 (4/1/1979-4/1/1980) Columbia Casualty Co.  
RDX 4169587 (4/1/1979-4/1/1980) Columbia Casualty Co.  
UMB 006496626 (4/1/1980-4/1/1981) Transcontinental Ins. Co.  
SRX 2101407 (4/1/1983-4/1/1984) Continental Ins. Co.  
LX 2107763 (4/1/1983-5/1/1984) London Guarantee  
LX 2110774 (5/1/1984-5/1/1985) London Guarantee  
Claim No.: 05-124418

Dear Mr. Hill:

Please let this letter confirm that I am the claims analyst assigned to the above-captioned matter. As you may be aware, National Indemnity Company (NICO) and CNA-related insurers recently closed a reinsurance transaction relating to certain CNA asbestos and pollution liabilities. Pursuant to the terms of the transaction, Resolute Management, Inc., Midwest Division (Resolute Midwest), a NICO affiliate, has assumed the claims handling and other administrative services related to these claims, which includes this claim. Although Resolute Midwest administers these claims, the NICO transaction is a reinsurance arrangement and CNA will continue to bear the primary responsibility for its insurance contracts. As a Resolute Midwest employee, I will continue to support the handling of this claim. All future correspondence and other materials should be directed to my attention. Please be sure to include our claim number on all future correspondence.

This letter shall acknowledge receipt of your correspondence concerning the above-referenced matter. According to the documentation received, it is my understanding that you represent Kaiser Cement Corporation ("Kaiser Cement") and Kaiser Gypsum Company ("Kaiser Gypsum"). Your correspondence indicates that both Kaiser Cement and Kaiser Gypsum received a request for information from the USEPA pursuant to CERCLA. Your correspondence indicates that it is Kaiser Cement and Kaiser Gypsum's intent to advise Columbia Casualty Company, Transcontinental Insurance Company and Continental

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Insurance Company, individually, and as successor in interest to certain rights and liabilities on behalf of London Guarantee & Accident Company of NY of the request received by the USEPA.

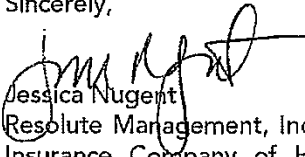
As no request for defense or indemnity is being made, a coverage evaluation is not appropriate at this time. Should a lawsuit be filed or the circumstances of this notice only matter change, please advise immediately and send any related documentation.

In the event a claim is made against Kaiser Gypsum and/or Kaiser Cement, please be advised that the policies referenced above are excess-only policies, which may not provide coverage for the claim until the underlying limits are exhausted. Upon the receipt of any suit or notice of a claim being made, we will evaluate each policy for coverage.

Accordingly, the right is reserved to assert any term, condition and/or exclusion contained in any relevant policy whether such term, condition and/or exclusion is specifically referred to herein. This letter shall not be deemed to have waived, diminished or altered any of the rights that either party may have by virtue of any policy issued, nor shall this letter, or any future investigation or correspondence be construed as either a waiver of any policy provision or of any rights or defenses thereunder.

Please contact me at the number above if you have any questions regarding this letter or the information requested.

Sincerely,



Jessica Nugent  
Resolute Management, Inc., Midwest Division, as administrator on behalf of National Fire Insurance Company of Hartford, successor by merger, to Transcontinental Insurance Company, Columbia Casualty Company and Continental Insurance Company, individually, and as successor in interest to certain rights and liabilities on behalf of London Guarantee & Accident Company of NY.

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